

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF DELAWARE**

IN RE: REMBRANDT TECHNOLOGIES, LP  
PATENT LITIGATION

MDL Docket No. 07-md-1848 (GMS)

REMBRANDT TECHNOLOGIES LP,

Plaintiff,

C.A. No. 06-727 (GMS)

V.

CBS CORPORATION,

Defendant.

REMBRANDT TECHNOLOGIES LP,

Plaintiff,

C.A. No. 06-729 (GMS)

V.

NBC UNIVERSAL, INC.

Defendant.

REMBRANDT TECHNOLOGIES LP,

Plaintiff,

C.A. No. 06-730 (GMS)

V.

ABC, INC.,

Defendant.

## REMBRANDT'S REPLY TO AMENDED COUNTERCLAIM OF NBC UNIVERSAL, INC.

Rembrandt Technologies, LP (“Rembrandt”), by its undersigned attorneys, respectfully submits this Reply to the Amended Counterclaim filed by NBC Universal, Inc. (“NBC”), as follows:

### **PARTIES**

29. NBC is a corporation organized under the laws of the State of Delaware and having a principal place of business at 30 Rockefeller Plaza, New York, NY 10112.

Answer: Upon information and belief, Rembrandt admits that NBC is a corporation organized under the laws of the State of Delaware and having a principal place of business at 30 Rockefeller Plaza, New York, NY 10112.

30. Rembrandt alleges that it is a limited partnership organized under the laws of the State of New Jersey, having a principal place of business at 401 City Avenue, Suite 815, Bala Cynwyd, PA 19004.

Answer: Admitted that Rembrandt Technologies, LP is a limited partnership organized under the laws of the State of New Jersey. Rembrandt denies having its principal place of business at 401 City Avenue, Suite 815, Bala Cynwyd, PA 19004; Rembrandt’s principal place of business is Suite 900 at the aforementioned address.

### **JURISDICTION AND VENUE**

31. This counterclaim arises under Title 35 of the United States Code. The Court has subject matter jurisdiction over this counterclaim pursuant to 28 U.S.C. §§ 1331, 1338(a), 2201, and 2202.

Answer: Rembrandt admits that NBC has alleged that the counterclaim arises under Title 35 of the United States Code, and that NBC has alleged that this Court has subject matter jurisdiction over the counterclaim pursuant to 28 U.S.C. §§1331, 1338(a), 2201 and 2202, but Rembrandt denies that NBC is entitled to the relief sought thereunder or to any relief whatsoever.

32. Venue is proper in this judicial district under 28 U.S.C. § 1391.

Answer: Admitted.

**COUNTERCLAIM – DECLARATORY JUDGMENT  
‘627 PATENT**

33. NBC incorporates herein by reference the allegations of paragraphs 1-32 of this Answer, Affirmative Defenses and Counterclaim.

Answer: NBC’s attempt to incorporate by reference its Answer, Affirmative Defenses and Amended Counterclaim does not comply with Federal Rule of Civil Procedure 10(b) requiring a separate statement of a single set of circumstances, and is therefore too vague and general to permit or require a response. Rembrandt denies the applicability of each and every Affirmative Defense set forth in paragraphs 14 through 28. No response is required to NBC’s answer as set forth in paragraphs 1 through 12 of Rembrandt’s Complaint which is incorporated herein by reference. Rembrandt also repeats and re-alleges its responses to paragraphs 29 through 32 of the Amended Counterclaim above as if set forth in full herein.

34. NBC counterclaims against Rembrandt pursuant to the patent laws of the United States, Title 35 of the United States Code, and the Declaratory Judgments Act, 28 U.S.C. §§ 2201 and 2202.

Answer: Rembrandt admits that NBC purports to seek a declaratory judgment under 28 U.S.C. §§2201 and 2202, and that NBC has alleged that the counterclaim arises under the patent laws of the United States, Title 35, United States Code, but Rembrandt denies that NBC is entitled to the relief sought thereunder or to any relief whatsoever.

35. In its Complaint against NBC filed December 1, 2006, Rembrandt alleged that NBC has infringed and is currently infringing the ‘627 patent by practicing the inventions claimed therein, and/or by inducing or contributing to the practice by others of the inventions claimed therein.

Answer: Admitted.

36. An actual controversy exists between Rembrandt and NBC by virtue of the allegations of Rembrandt's Complaint in this action and NBC's Answer as to the validity, enforceability and infringement of the '627 patent.

Answer: Admitted.

37. The '627 patent is invalid, unenforceable, and not infringed, as set forth in paragraphs 14 through 25 above.

Answer: Denied. NBC's attempt to incorporate by reference its Affirmative Defenses to Rembrandt's Complaint does not comply with Federal Rule of Civil Procedure 10(b) requiring a separate statement of a single set of circumstances, and is therefore too vague and general to permit or require a response. Rembrandt denies the applicability of each and every Affirmative Defense set forth in paragraphs 14 through 25. By way of further answer, Rembrandt admits that at one time the '627 patent was assigned to AT&T Bell Laboratories, that AT&T was a participant in the Grand Alliance, and that AT&T IPM wrote a letter dated January 12, 1995 which speaks for itself. By way of further answer, the prosecution history of the '627 patent speaks for itself.

38. NBC is entitled to judgment that the '627 patent is invalid, unenforceable, and not infringed.

Answer: Denied.

### **AFFIRMATIVE DEFENSES**

#### **First Affirmative Defense**

NBC's counterclaim fails to state a claim upon which relief may be granted.

**Second Affirmative Defense**

NBC's counterclaims are barred, in whole or in part, by the doctrine of estoppel.

**Third Affirmative Defense**

NBC's counterclaims are barred, in whole or in part, by the doctrine of waiver.

**Fourth Affirmative Defense**

NBC's counterclaims are barred, in whole or in part, by applicable limitations doctrines, including the statute of limitations.

**Fifth Affirmative Defense**

NBC's counterclaims are based on a purported agreement to agree, which is unenforceable under applicable law.

**Sixth Affirmative Defense**

NBC's counterclaims are based upon a purported agreement with open essential terms, which cannot be supplied under applicable law.

**Seventh Affirmative Defense**

To the extent there was an enforceable promise, it was solely a promise to negotiate; there was no intention to permit any third party or a court to impose licensing terms.

**Eighth Affirmative Defense**

NBC's counterclaims are barred by the doctrine of laches.

**Ninth Affirmative Defense**

NBC's counterclaims fail as a matter of law based on a lack of contractual privity between Rembrandt and NBC involving any alleged contractually binding obligation entered into by AT&T and/or AT&T IPM.

**Tenth Affirmative Defense**

NBC's counterclaims fail as a matter of law because NBC materially breached and/or repudiated any express or implied contract, thereby excusing Rembrandt from any alleged obligation that it might otherwise have had.

**Eleventh Affirmative Defense**

NBC is not entitled to the relief requested as a matter of law.

**Twelfth Affirmative Defense**

NBC's counterclaims fail, in whole or in part, because NBC failed to fulfill conditions precedent to any obligation to offer a license to it.

**Thirteenth Affirmative Defense**

Rembrandt reserves the right to assert additional and/or different affirmative defenses as discovery progresses, and hereby reserves the right to amend its reply to NBC's Amended Counterclaim in support of any such defenses.

**PRAYER FOR RELIEF**

WHEREFORE, Rembrandt respectfully requests: (i) that judgment be entered in its favor, and against Defendant, on Defendant's amended counterclaim, and that Defendant not be awarded any relief in connection therewith; and (ii) that Rembrandt be awarded all the relief sought in the Prayer for Relief of its Complaint, which is incorporated herein by reference.

Dated: May 2, 2008

/s/ Collins J. Seitz, Jr.

Collins J. Seitz, Jr. (#2237)  
Francis DiGiovanni (#3189)  
James D. Heisman (#2746)  
Kristen Healey Cramer (#4512)  
CONNOLLY BOVE LODGE & HUTZ LLP  
The Nemours Building  
1007 N. Orange Street  
Wilmington, DE 19899  
Phone (302) 658-9141  
cseitz@cblh.com  
fdigiovanni@cblh.com  
jheisman@cblh.com  
kcramer@cblh.com

Attorneys for Rembrandt Technologies, LP

607144

**CERTIFICATE OF SERVICE**

I, Collins J. Seitz, Jr., hereby certify that on the 5<sup>th</sup> day of May, 2008, a true copy of the foregoing document was electronically filed with the Clerk of the Court using CM/ECF which will send notification of such filing to the following and the document is available for viewing and downloading from CM/ECF:

**BY E-MAIL**

Jack B. Blumenfeld Karen Jacobs Loudon Rodger D. Smith II Morris, Nichols, Arsht & Tunnell LLP 1201 North Market Street P.O. Box 1347 Wilmington, DE 19899 jblumenfeld@mnat.com klouden@mnat.com rsmith@mnat.com	John W. Shaw Young, Conaway, Stargatt & Taylor The Brandywine Building 1000 West Street, 17th Floor P.O. Box 391 Wilmington, DE 19899-0391 jshaw@ycst.com
Richard K. Herrmann Mary B. Matterer Amy Arnott Quinlan Morris James LLP 500 Delaware Avenue, Suite 1500 Wilmington, DE 19801-1494 rherrmann@morrisjames.com	Richard D. Kirk Scott G. Wilcox Stephen B. Brauerman Bayard, PA 222 Delaware Avenue, Suite 900 P.O. Box 25130 Wilmington, DE 19899 rkirk@bayardlaw.com swilcox@bayardlaw.com sbraerman@bayardlaw.com



<p>Fredrick L. Cottrell, III  Kelly E. Farnan  Richards, Layton &amp; Finger, P.A.  One Rodney Square  920 North King Street  Wilmington, DE 19801  cottrell@rlf.com  farnan@rlf.com</p>	<p>Peter J. Toren  Lawrence B. Goodwin  Monica V. Bhattacharyya  Stefan R. Stoyanov  Kasowitz, Benson, Torres &amp; Friedman  LLP  1633 Broadway  New York, NY 10019  ptoren@kasowitz.com  lgoodwin@kasowitz.com  mbhattacharyya@kasowitz.com  sstoyanov@kasowitz.com</p>
<p>Josh A. Krevitt  Charles J. Bourdreau  Gibson, Dunn &amp; Crutcher LLP  200 Park Avenue, 47<sup>th</sup> Floor  New York, New York 10166-0193  jkrevitt@gibsondunn.com  cbourdreau@gibsondunn.com</p>	<p>David Segal  Gibson, Dunn &amp; Crutcher LLP  3161 Michelson Drive  Irvine, California 92612-4412  dsegal@gibsondunn.com</p>
<p>Amanda J. Tessar  Gibson, Dunn &amp; Crutcher LLP  1801 California Street, Suite 4200  Denver, CO 80202-2642  atessar@gibsondunn.com</p>	<p>David S. Benyacar  Daniel L. Reisner  Kaye Scholer LLP  425 Park Avenue  New York, New York 10022  dbenyacar@kayescholer.com  dreisner@kayescholer.com</p>
<p>Matthew D. Powers  Edward R. Reines  Weil Gotshal &amp; Manges LLP  201 Redwood Shores Parkway  Redwood Shores, CA 94065  matthew.powers@weil.com  edward.reines@weil.com</p>	<p>Robert A. Van Nest  Brian L. Ferrall  Daralyn J. Durie  Leo L. Lam  Matthew M. Werdegarr  KEKER &amp; VAN NEST LLP  710 Sansome Street  San Francisco, CA 94111  rvannest@kvn.com  bferrall@kvn.com  ddurie@kvn.com  llam@kvn.com  mwerdegarr@kvn.com</p>

John Desmarais Kirkland & Ellis LLP Citigroup Center 153 East 53 <sup>rd</sup> Street New York, New York 10022 jdesmarais@kirkland.com	Eric R. Lamison Kirkland & Ellis LLP 555 California Street, Ste. 2700 San Francisco, CA 94104 elamison@kirkland.com
Mitchell Stockwell Kilpatrick & Stockton LLP 110 Peachtree Street, N.E. Suite 2800 Atlanta, GA 30309 MStockwell@KilpatrickStockton.com	Bradford P. Lyerla Kevin D. Hogg Charles E. Juister Marshall, Gerstein & Borun LLP 6300 Sears Tower 233 South Wacker Drive Chicago, IL 60606-6357 blyerla@marshallip.com khogg@marshallip.com cjuister@marshallip.com
Richard Brown Day Pitney LLP 200 Campus Drive Florham Park, NJ 07932 rbrown@daypitney.com	Gerald Levy Day Pitney LLP 7 Times Square New York, NY 10036 glevy@daypitney.com
Jonathan Tropp Day Pitney LLP One Canterbury Green 201 Broad Street Stamford, CT 06901	

By: /s/ Collins J. Seitz, Jr.  
Collins J. Seitz, Jr. (#2237)  
cseitz@cblh.com